

NOTICE OF PUBLIC HEARING

Pursuant to Section 91-3(a), Hawaii Revised Statutes, the Liquor Control Commission of the County of Maui (the "Liquor Commission") hereby provides notice of a public hearing for the purpose of amending sections 08-101-22(j) and 08-101-69(a) of its Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui (the "Rules").

The entire text of the proposed rule amendments is listed below, and is further summarized as follows:

SUMMARY:

Section 08-101-22(j) of the Rules:

ALTERNATIVE #1:

Amends Section 08-101-22(j) of the Rules by adding a new subsection (5) to allow the Liquor Commission to streamline the application procedures for the issuance of class 10 special licenses.

ALTERNATIVE #2:

Amends Section 08-101-22(j) of the Rules by amending subsection (2) to provide that under certain conditions, no personal history statements, criminal history background checks, or other governmental clearances shall be required for Class 10 license applicants.

Section 08-101-69(a) of the Rules:

ALTERNATIVE #3:

Amends Section 08-101-69(a) of the Rules by deleting provisions that limit the amount of liquor that can be offered, sold or served during a set period of time, or for a fixed price.

ALTERNATIVE # 4:

Amends Section 08-101-69(a) of the Rules to add Class 10 licensees to the exemption from provisions that limit the amount of liquor that can be offered, sold or served during a set period of time, or for a fixed price.

PROPOSED RULE AMENDMENTS

Amendments to Title 08, Chapter 101, Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui

1. Section 08-101-22, Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui, is amended by amending subsection (j) to read as follows:

ALTERNATIVE # 1:

- “(j) Class 10. Special license.
- (1) A special license may be granted by the director for the sale of liquor for a period not to exceed three consecutive days at the same location for fundraising events by nonprofit organizations, political candidates, and political parties; provided that any registered educational or charitable nonprofit organization may sell liquor in its original package for off-premises consumption.
- (2) Special licenses shall be issued only to charitable or educational nonprofit organizations, to political parties and to candidates seeking public office from which organization no person is entitled to or takes, directly or indirectly, any share of the profits thereof. Nonprofit charitable or educational organizations shall be required to attach their U.S. Internal Revenue’s sections 501(c)(3), 501(c)(4), 501(c)(10), or 501(c)(19) exemption letter and political candidates shall be required to attach a copy of their organizational report filed with the State campaign spending commission, to their application.
- (3) Of this class, there shall be the following kinds:
- (A) General (includes all liquor except alcohol);
- (B) Beer and wine; and
- (C) Beer.
- (4) Liquor sold under a class 10 license shall be consumed on the premises.
- (5) The commission may streamline application procedures, including but not limited to, waiving of hearing, notarization of documents, criminal history records check, and personal history statements for the issuance of special licenses for the sale of liquor for fundraising events. [Eff 7/1/00; am and comp 7/15/02; am and comp 4/22/12; am and comp 6/18/15; am and comp 3/4/17; am and comp 7/29/17; am and comp] (Auth: HRS §§91-2, 281-17) (Imp: HRS §281-17)”

ALTERNATIVE # 2:

- “(j) Class 10. Special license.
- (1) A special license may be granted by the director for the sale of liquor for a period not to exceed three consecutive days at the same location for fundraising events by nonprofit organizations, political candidates, and political parties; provided that any registered educational or charitable nonprofit organization may sell liquor in its original package for off-premises consumption.
- (2) Special licenses shall be issued only to charitable or educational nonprofit organizations, to political parties and to candidates seeking public office from which organization no person is entitled to or takes, directly or indirectly, any share of the profits thereof. Nonprofit charitable or educational organizations shall be required to attach their U.S. Internal Revenue’s sections 501(c)(3), 501(c)(4), 501(c)(10), or 501(c)(19) exemption letter and political candidates shall be required to attach a copy of their organizational report filed with the State campaign spending commission, to their application. Notwithstanding the provisions in subchapter 4, Licensing Procedures, special license applications for non-profits shall not require personal history statements, criminal history background checks, or other governmental clearances, but shall be subject to the following conditions:
- (A) (Applicable to Individual only). The applicant is the sole owner of the nonprofit proposed to be licensed, is no less than twenty-one (21) years of age, and is not a person who has been convicted of a felony and not pardoned.
- (B) (Applicable to Corporation only). The individuals indicated on the application are all the officers and directors of the corporation or stockholders who own twenty-five percent (25%) or more of its outstanding capital stock, and each officer, director, and stockholder is no less than twenty-one (21) years of age and is not a person who has been convicted of a felony and not pardoned.
- (C) (Applicable to Partnership or LLC only). The individuals indicated on the application are all the members of the partnership or LLC indicated on the application, and each member is no less than twenty-one (21) years of age and is not a person who has been convicted of a felony and not pardoned.
- (D) (Applicable to Unincorporated Association only). The individuals indicated on the application are all the members of the applicant association and the full names of the officers thereof, each of whom is no less than twenty-one (21) years of

age and is not a person who has been convicted of a felony and not pardoned.

- (E) No person other than the applicant named herein will have any interest in the business affected by the application without prior approval of the Commission.
 - (F) No liquor license heretofore issued to the applicant has been revoked within a term of two years preceding the date of the application.
 - (G) The applicant (or if the applicant is an entity, the officers and directors thereof) is familiar with the provisions of the State statutes relating to intoxicating liquor and with these rules.
 - (H) The applicant shall comply with all applicable state and county rules, laws, and regulations.
 - (I) The information submitted with the application represents a full, true, and correct statement of the applicant.
- (3) Of this class, there shall be the following kinds:
 - (A) General (includes all liquor except alcohol);
 - (B) Beer and wine; and
 - (C) Beer.
 - (4) Liquor sold under a class 10 license shall be consumed on the premises. [Eff 7/1/00; am and comp 7/15/02; am and comp 4/22/12; am and comp 6/18/15; am and comp 3/4/17; am and comp 7/29/17; am and comp] (Auth: HRS §§91-2, 281-17) (Imp: HRS §281-17)"

2. Section 08-101-69, Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui, is amended by amending subsection (a) to read as follows:

ALTERNATIVE # 3:

- “(a) No licensee [of any premises licensed to sell liquor for consumption on the premises] shall:
 - (1) [Sell, advertise, or offer to sell "all the liquor you can drink", or more than two drinks of alcoholic beverage for a fixed price; or encourage,] Encourage, sponsor, permit or have any promotion, game or contest that involves the consumption of liquor or the awarding of liquor as a prize[;].
 - (2) [Serve an unlimited amount of liquor during a set period of time for a fixed price, provided this provision does not apply to class 2, class 9, and class 12 licensees:
 - (A) When such function is not open to the general public and for which a hosted bar is utilized such as weddings, private parties, and fundraising functions;

- (B) Where champagne may be inclusive with brunch;
 - (C) Where liquor may be inclusive with luaus; or
 - (D) Where liquor may be inclusive with tour or cruise vessel operations;
- (3)] Employ any person for the purpose of selling, furnishing or serving liquor under any scheme, plan, or arrangement involving the payment for such services on the basis of any commission, percentage, or such similar method of payment without the prior approval of the commission. [Eff 7/1/00; am and comp 4/2/07; am and comp 3/4/17; am and comp] (Auth: HRS §§91-2, 281-17) (Imp: HRS §281-17)”

ALTERNATIVE # 4:

“(a) No licensee of any premises licensed to sell liquor for consumption on the premises shall:

- (1) Sell, advertise, or offer to sell "all the liquor you can drink", or more than two drinks of alcoholic beverage for a fixed price; or encourage, sponsor, permit or have any promotion, game or contest that involves the consumption of liquor or the awarding of liquor as a prize[;].
- (2) Serve an unlimited amount of liquor during a set period of time for a fixed price, provided this provision does not apply to class 2, class 9, class 10, and class 12 licensees:
 - (A) When such function is not open to the general public and for which a hosted bar is utilized such as weddings, private parties, and fundraising functions;
 - (B) Where champagne may be inclusive with brunch;
 - (C) Where liquor may be inclusive with luaus; or
 - (D) Where liquor may be inclusive with tour or cruise vessel operations[;].
- (3) Employ any person for the purpose of selling, furnishing or serving liquor under any scheme, plan, or arrangement involving the payment for such services on the basis of any commission, percentage, or such similar method of payment without the prior approval of the commission. [Eff 7/1/00; am and comp 4/2/07; am and comp 3/4/17; am and comp] (Auth: HRS §§91-2, 281-17) (Imp: HRS §281-17)”

3. Material, except source notes, to be repealed is bracketed. New material is underscored.

4. Additions to update source notes to reflect these amendments are not underscored.

5. These amendments to Chapter 101, Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui, shall take effect ten days after filing with the Office of the County Clerk.

Copies of the proposed amendments may be viewed or downloaded from the Department of Liquor Control web page at www.mauicounty.gov/liquor and selecting the Rules/Laws tab.


Copies of the proposed amendments will be mailed to any interested person who requests a copy and pays the required fees for copying and postage. Requests for a copy may be made at the Department of Liquor Control, 2145 Kaohu Street, Room 105, Wailuku, Hawaii 96793, or by calling (808)244-4666.

The Liquor Commission will conduct a public hearing on the proposed amendments on September 13, 2017, at 10:00 a.m. at the Department of Liquor Control Conference Room, 2145 Kaohu Street, Room 108, Wailuku, Maui, Hawaii.

Any interested person may submit oral or written testimony on the proposed amendments at the public hearing. Also, written testimony may be submitted by mail to: Liquor Commission, 2145 Kaohu Street, Room 105, Wailuku, Maui, Hawaii 96793. Written testimony must be received by the Liquor Commission before the public hearing closes on September 13, 2017.

Any person requesting accommodations due to disabilities must call (808) 244-4666 at least six (6) days before the date of the scheduled public hearing.

Please contact the Commission Secretary at (808)244-4666 if further information is needed.

By: 
ROBERT TANAKA
Chair
Liquor Commission